Arizona Network

AZNet

AZNet an Overview
May 2007

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- **Background**
  - The solicitation, and resultant contract, were the result of a Legislative Directive: Chapter 263, 1st Regular session, 46th Legislature, Laws of 2003, Section 101, HB 2533
    - "Provide for scaleable, centralized statewide voice, video and data converged solution pursuant to the GITA target architecture that will streamline state agency communications and enable other services such as state government N11 abbreviated dialing"

- **Goals and Objectives for Telecommunications Services**
  - Upgrade statewide networks and supporting technologies
  - Consolidate disparate networks
  - Consolidate business processes
  - Improve service levels
  - Improve network security
  - Develop and implement a statewide business continuity and disaster recovery program

- **Scope of Services**
  - Operate, manage and maintain state telecommunications voice and wide area network (WAN) assets and services
  - Acquire, operate and maintain new assets and services, as needed, to meet the state's service level requirements
  - Transition and support all Arizona Telecommunications Systems (ATS) customers and remaining Executive Branch Agencies

- **Out of Scope**
  - Level 1 Helpdesk
  - LAN servers, hardware and applications
  - End user workstations, peripherals and equipment
  - Web Hosting
  - Web email
  - Mobile services (PDAs, pagers and cell phones)
  - Mainframe assets and operations
  - Building wiring
  - Online directory

- **Contract Highlights**

  – Awarded January 21, 2005 to Accenture
    - The Accenture team includes Calence and Black Box (formerly Nextira One)

  – Initial five-year term with two optional 2-year extensions
    - January 2006 – Amendment 2 extended the contract for two years

  – Total Contract value, including carrier costs, is approximately $200M over the initial five-year term

- **Significant investment in a new consolidated, converged, statewide, backbone network**
  - Increased bandwidth, speed, resiliency and security will be delivered on the shared network using Multi Protocol Layered Switching (MPLS)
  - In-state long distance costs will be reduced by implementing Voice over Internet Protocol (VoIP) capabilities on the Wide Area Network (WAN)
  - Shared infrastructure or "clusters" will be built to support 22K new Internet Protocol Telephony (IPT) seats
- **Improved operational capabilities**
  - 7x24 hour monitoring of WAN and security equipment, PBXs and IPT servers
  - Support Desk Hours: 7 a.m. – 5 p.m. – after hours support begins at 5 p.m.
  - SLAs with penalties
- **Centralized security upgrades**
  - Agency data security will be improved by installing new equipment between agencies and the Internet:
    - New firewalls and Intrusion Detection (IDS) blades for the core network
    - Extranet security
    - Internet access gateways
    - Access/authentication
    - Security tools

- **Predictable pricing**
  - Standardized seat-based prices
- **State of the art billing tools and processes**
  - All in-scope telecommunications bills will be consolidated onto a single agency invoice
  - Web-based billing tool that is easy to use and provides:
    - Agency specific billing information with drill-down capabilities
    - Automated internal bill approval capabilities
    - Online history of bills and related activities
    - The ability to upload data into Excel for analysis
  - Telecom Expense Management (TEM) improves bill accuracy and reduces billing process complexity:
    - Accenture becomes the state's agent for all carrier bills
    - All bills are automatically validated before appearing on an invoice
      - Changes from the previous bill
      - Applicable tariff rates
      - Applicable tax tables
    - The agency is notified, not invoiced, for disputed charges

Annual Operating Plan

- **Updates and defines the architecture and engineering plan to migrate the State of Arizona network infrastructure to a secure, converged and cost effective infrastructure**
  - Supports the business needs and requirements of the enterprise and those of the individual agency

AZNet **IP Address & Security Committee - meets every other Monday**

- **Responsible for the creation and approval of statewide policies:**
  - Firewall Policy
  - Extranet Policy
  - IP Address Policy
  - Wireless Policy

Telecommunications Program Office (TPO)

– Staffed with 11 personnel to manage the contract and the contractor in the following areas:

- Contract performance
- Operational performance
- Programs and Projects
- Investment and Savings

> **TPO is the escalation point if you have contractor performance issues.**

- **Steering Committee**

  – 10 agency CIO's/telecommunications managers provide operational direction (meets monthly)

- **Telecommunications Executive Governance Committee (TEGC)**

  – 13 agency Directors provide strategic direction (meets quarterly)

- *AZNet* **provides updates to the CIO (Chief Information Officer) Council monthly**

- **Telecommunications Executive Governance Committee (TEGC) Voting Members**
  - Arizona Health Care Cost Containment System
  - Arizona State Retirement System
  - Department of Administration
  - Department of Agriculture
  - Department of Commerce
  - Department of Corrections
  - Department of Economic Security
  - Department of Environmental Quality
  - Department of Public Safety
  - Department of Revenue
  - Department of Transportation
  - Department of Water Resources
  - Department of Game and Fish

- **Steering Committee**

  - Arizona Health Care Cost Containment System
  - Department of Administration
  - Department of Corrections
  - Department of Economic Security
  - Department of Environmental Quality
  - Department of Game and Fish
  - Department of Juvenile Corrections
  - Department of Public Safety
  - Department of Revenue
  - Department of Transportation
  - Governor's Office
  - Government Information Technology Agency (GITA)

Accomplishments to Date

– Transition of state agencies to *AZNet* program complete

– Completed approximately $6M in technology upgrade projects

– Developed a new online proposal and project portfolio management system

– Implemented the new billing system, BillPort

– Awarded Carrier Services Contract – January 2006

– Achieved substantial annualized cost savings and/or cost avoidance

– Completed architectural plans for the new statewide converged network with centralized security

– Received TEGC approval for FY07 Infrastructure Investment Plan

– Deployed Asset Management System

– Operational performance continues to meet SLAs

– Completed the Annual Operating Plans for FY07 & FY08

- **Key Phases**

  - **Transition: March 2005 through March 2006**
    - Current agency telecommunications services moved to Accenture operations, support, management and billing
    - This was not a technology upgrade
    - *AZNet* team worked with each agency approximately 3-4 months prior to the transition of service to gather the appropriate information

  - **Transformation: Ongoing**
    - Upgrade of the core network
    - High-speed core backbone
    - VoIP on converged WAN circuits
    - IPT clusters
    - Centralized security

  - **Migration: Post transformation; throughout the contract term**
    - Upgrading agency telecommunications services onto the transformed network

Definitions

- **Seat**
  - Basic service and pricing unit
  - Types of seats:
    - Limited: single line phone without buttons
    - Basic: multi-button phone, single or multi-line, without display or hands-free
    - Executive: display and/or hands-free phone
    - Operator: receptionist/operator positions or set with 22-button add-on module
    - Call Center Basic: position that does not use IVR and/or screen pop functionality
    - Call Center Enhanced: position that uses IVR and/or screen pop functionality
    - Call Center Supervisor: supervisor that manages other agents and/or requests reports
- **MAC**
  - Move, Add, Change of voice telecommunications equipment
    - Hard MAC requires technician dispatch
    - Soft MAC applies only to voice and security changes that can be done remotely
  - Data and Security MACs
    - Equipment are performed on a Time and Materials basis and are excluded from the MAC allowance
- **MAC Allowance**
  - The number of hard and soft MACs included in the seat price
    - Option 1: One Soft MAC for each seat annually and hard MACs equal to 20% of seats
    - Option 2: Soft MACs equal to 15% and hard MACs equal to 35% of total seats
- **MAC Tracking Report**
  - A daily tracking report to help agencies manage MAC allowance can be found at www.aznet.gov

- **Zone**
  - Geographic locations used as a basis for service level agreements and dispatching costs
    - Zone A: within 5 miles of the following "central sites"
      - Phoenix: 1700 W Washington St.
      - Tucson: 400 W Congress St.
      - Yuma: 7125 E Juan Sanchez Blvd.
      - Flagstaff: 1100 W. Kaibab Ln.
    - Zone B: within 60 miles of a central site
    - Zone C: within 100 miles of a central site
    - Zone D: more than 100 miles from a central site
- **Projects**
  - Demand Management (DMT)
    - Process for managing telecommunications project requests that require a Project Investment Justification (PIJ) and/or complex engineering
      - Enterprise approach for network investments
      - Solutions are designed, installed and managed by *AZNet*
      - Significant use of "shared" infrastructure
    - Examples include
      - Move to a new building
      - Upgrade or replacement of existing telecommunications equipment
  - Big MACs
    - 10 or more MACs on one order
    - Billed as a project, MAC allocation units do not apply
    - Due dates are negotiated

- **Seat charge (non-call center) includes:**
  - Equipment monitoring
  - Repairs with SLAs
  - MACs (within allowance)
  - Investment in the statewide network upgrade and build out
  - Equipment maintenance
  - Telecom expense management
- **Does not include**
  - Carrier charges
  - Ala Carte services
  - DMT Projects
  - Big MAC Projects
  - Security and Data Time and Materials work
  - Other Time and Materials
- **MACs exceeding the allowance**
  - Soft MACs are $15
  - Hard MACs are $85
  - Travel charges could apply in Zones C and D

- **Service Levels are measured at the state, not agency, level**
  - Types of SLAs
    - Type 1 SLAs are in effect with penalties at contract start; measures operational performance in two key areas:
      - Cycle time to process and complete MACs
      - Mean time to repair
    - Type 2 SLAs measure system wide performance of the network; these SLAs will be phased in over time
- **SLA credits apply when the service level is missed, measured at the state level**
  - Types of SLA credits
    - Per-incident or percentage of monthly service charges
    - Credits will appear on the monthly *AZNet* invoice

- **Tiers**
  - Four tiers have been established to identify service level expectations based upon the type of equipment and up-time requirements
    - 1 – Includes core infrastructure facilities i.e., data centers, call centers and mall environments. Tier 1 site addresses are specifically identified in the contract
    - 2 – Equipment located in the primary or branch facility that provides voice and data or call center services
    - 3 – Equipment located in a branch location that provides voice and data services to 50 people or less
    - 4 – End user appliances i.e., phones
- **Severities**
  - Three severity levels have been created to define service degradation/outage impacts and to prioritize repairs
    - **1 or Critical**: The entire site is unable to perform critical business functions defined in the Business Continuity/Disaster Recovery Plan or directly impacts the ability to provide critical services to the public
    - **2 or Major**: A site's ability to perform mission critical work is in jeopardy
    - **3 or Minor**: A problem exists but the site can perform business operations

Network Availability Service Levels				
	Tier 1	**Tier 2**	**Tier 3**	**Tier 4**
Service Level Commitment	99.999% availability, 7x24	99.99% availability, 7x24	99.95% availability, 7x24	98% availability 7x24
Per Incident Credit	2% of monthly total service fees	10% of affected seats monthly service fees	5% of affected seats monthly service fees	2% of affected seats monthly service fees
Response and Repair Service Levels				
	Severity Level 1	**Severity Level 2**	**Severity Level 3**	**Site Chronic ***
Service Level Commitment	Mean time to repair within 4-10 hours depending on location	Mean time to repair within 6-10 hours depending on location	Mean time to repair within 24-30 hours depending on location	3 or more related Severity Level 1 or 2 outages within one month for same Site
Per Incident Credit	$500	$300	$100	15% of affected seats monthly service fees
Cumulative System Performance Service Levels				
	Cumulative Severity 1 Trouble Tickets	**Cumulative Severity 2 Trouble Tickets**	**System Tier 1 Availability**	**Service Request Completion ***
Service Level Commitment	95% of Severity 1 Trouble Tickets on time over most recent 3 month period	95% of Severity 2 Trouble Tickets resolved on time over most recent 3 month period	99.999% availability of Tier 1 over most recent 3 month period	95% on-time completion of Service Requests for the preceding 3 months
Per Incident Credit	10% of total monthly service fees	10% of total monthly service fees	10% of total monthly service fees	10% of total monthly service fees

- **All telecommunications projects are performed through *AZNet***
- **Project classifications**
  - Big MAC: 10 or more MACs that do not require complex engineering or a PIJ
  - Demand Management (DMT): large, complex projects
- **Project process**
  - Call or email the helpdesk with your project request
  - *AZNet* management will assess the request and determine its classification
    - Big MAC projects:
      - Due date and price will be quoted
      - Free MAC units are not applicable to projects
      - All work is performed with *AZNet* operations personnel
      - Charges will appear on the monthly *AZNet* invoice that follows the work ticket completion and agency acceptance
    - DMT projects
      - Business requirements will be collected and entered into the project management tool
      - Quote will be prepared for agency approval
      - PIJ process is streamlined and prepared for the agency
      - Equipment will be ordered, project managed and installed by *AZNet* project personnel
      - Charges will appear on the monthly *AZNet* invoice following installation and agency acceptance

- **BillPort**
  - Online billing system that creates agency specific invoices with drill-down capabilities
  - Invoices include the following charges:
    - Monthly seat and ala carte services
    - Carrier pass-through
    - One time costs: MACs overage, Big MAC and DMT projects
    - TPO and Other State Retained Costs
    - *AZNet* network

- **Bill Payment Cycle**
  - Accenture acts as an "agent" for payment and disputes
    - Day 0: Carrier invoice(s) received by Accenture
    - 10 days: Carrier services, as billed, put through telecom expense management processing and agency online invoice creation
    - Day 10: email notification of invoice availability sent to authorized agency personnel for review and payment
    - ***20 days allocated for agency payment cycle to ensure carrier late fees are not incurred***

- **2% Discount for Early Payment**
  - An early payment discount of 2% off amounts due to Accenture when received within Net 15 Days of invoice availability
    - Carrier, TPO and *AZNet* network charges are not eligible for discount

The state-operated *AZNet* Support Desk provides 1st Tier WAN, Security and Telecommunications support for all state agencies –

Monitors all requests and activities for the contractor:

Processes Remedy Tickets for:

- MAC (Moves, Adds and Changes) orders - circuits, phone, router/firewall, VPN, Symposium, Call Centers, IVR/IVDR, IP Telephony and calling cards
- Requests for Information – billing, quotes and requests for information

Provides "password reset" VPN/Voice Mail

- Processes repair tickets - circuits, phone, router/firewall, VPN, Symposium, Call Centers, IVR/IVDR, IP Telephony and calling cards

If you are not satisfied with the ticket progress, the *AZNet* Support Desk will escalate your issue to ensure your issue is addressed

The *AZNet* Support Desk hours are from 7 a.m. – 5 p.m. with after hours support beginning at 5 p.m. and can be reached at:
AZNETSUPPORTDESK@AZDOA.GOV, 602-364-4444 or go to the *AZNet* website: AZNET.GOV

Contact Information

- **Help Desk: 602-364-4444 or AZNETSUPPORTDESK@AZDOA.GOV**
  - MAC orders
  - Report repairs
  - Project requests
  - Billing questions, inquiries and disputes
  - Circuit orders
- **Other questions or issues:**
  - TPO Director: Pat Mah 602-364-0558
  - Operations: John Rodi, 602-364-2071
  - Billing: *AZNet* Support Desk 602-364-4444
- **WWW.AZNET.GOV website contains current information**
  - FAQs
  - Scorecards
  - Engineering Designs
  - *AZNet* Support Desk